GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4030
ANSWERED ON:23.03.2001
PRIVATE INSURANCE COMPANIES IN RURAL AREAS
JASWANT SINGH YADAV;JAYASHREE BANERJEE

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have directed the private insurance companies to pay attention towards the rural areas and farmers;

(b) if so, the details thereof; and

(c) the extent to which people of rural areas can be benefited through private insurance companies?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL)

a), (b) & (c) : As per Insurance Regulatory and Development Authority (Obligations of Insurers to Rural or Social Sectors) Regulations, 2000, as laid on the Table of Lok Sabha on 11.8.2000, all insurance companies in public and private sector are obliged to underwrite a part of their insurance business in rural areas. As a consequence there will be increased penetration of insurance activity in rural areas.